

J. MICHAEL CAREY
City Clerk

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CITY OF LOS ANGELES

CALIFORNIA



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RICHARD J. RIORDAN
MAYOR

96-1972

August 5, 1998

COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE
PERSONNEL COMMITTEE
BUDGET & FINANCE COMMITTEE

In accordance with Council Rules, communication from the City Administrative Officer (CAO) relative to proposal to create the positions of Business Improvement District (BID) Director and Administrative Assistant to assist the BID Director for the Citywide BID Program, was referred on August 4, 1998, to the COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE, PERSONNEL COMMITTEE and BUDGET & FINANCE COMMITTEE.

J. Michael Carey
City Clerk
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CITY ADMINISTRATIVE OFFICER

TO The Mayor The Council	DATE July 29, 1998	CAO FILE No. 0111-30159-0000
REFERENCE Citywide Business Improvement District (BID) Policy C.F. 96-1972; C.F. 96-1972-S2	COUNCIL FILE No.	
SUBJECT Proposal to create the positions of Business Improvement District Director and Administrative Assistant to assist the BID Director for the Citywide BID program	COUNCIL DISTRICT	

SUMMARY

In January 1998, the City Council and the Mayor approved the Citywide Business Improvement District (BID) Policy (C.F. 96-1972 and C.F. 96-1972-S1). The BID policy established the guidelines for communities interested in establishing BIDs in the City. The policy also supports business and property owners who want to take the lead to establish a BID. Recommendation No. 4 of the Council and Mayor action requests the Los Angeles Business Team, located within the Mayor's Office of Economic Development (MOED) to continue to serve as the City's marketing arm for BIDs and to assist communities with pre-BID activities. To more fully address the City's policy of support to those interested in establishing BIDS and to centralize the outreach, education and marketing of the BIDs, MOED proposes the creation of two new positions within its operation, BID Director and Administrative Assistant to the Director.

As proposed, the BID Director will:

- Act as the spokesperson and marketing agent for the City's BIDs;
- Promote greater visibility of LA's BIDS and convey a positive message to diverse audiences about doing business in the City of Los Angeles;
- Develop and implement marketing strategies for BIDS, including media coverage and the creation of informative brochures;
- Work closely with each Council Office to assist with initiation and implementation of BIDs;
- Attend forums conducted by interested business leaders to inform them about the BID process;
- Provide coordination between the BID communities and City departments involved with BIDs;
- Review the BID process to consider policy modifications to improve the process;
- Establish a Web site to link BIDs to the City;

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- Conduct Round table discussions with all BIDs Citywide to share ideas, improve communication and foster cooperation;
- Remain informed about individual BID programs and initiatives and assist as needed;
- Attend workshops, seminars and conferences to promote LA's BIDs, keep abreast of BID activity throughout the country and promote best practices.

The Administrative Assistant to the BID Director is proposed to:

- Assist the BID Director with implementation of the BID program;
- Manage the BID Office;
- Provide information and assistance to established BIDs, proposed BIDs and to those interested in the BID process;
- Maintain complete and accurate records about the BIDs, from inception to completion, including significant milestones and events for each BID;
- Assist the BID Director with promotional events;
- Perform other duties assigned by the Director.

In September 2000, the International Downtown Association (IDA) will conduct its annual conference in the City of Los Angeles at the Regal Biltmore Hotel. BIDs throughout the United States, Canada and Europe belong to the IDA, the only professional organization with a BID/Downtown/Commercial District focus. The City of Los Angeles, through its BID Director, could be a major participant in this conference. MOED reports that the City could host a reception, perhaps at the new California Science Museum located in the Figueroa Corridor BID and provide bus tours of the City's BIDs. The BID Director could coordinate the tours and recruit BID Executive Directors from established BIDs to be tour guides. The Fashion District, Downtown Center, Figueroa Corridor and Hollywood Entertainment BIDs are all members of IDA.

To operate this program, MOED requests a total of \$438,163. This includes \$108,163 for salaries for 11 months for the BID Director (Mayoral Aide VIII - \$71,500) and Administrative Assistant (Mayoral Aide IV - \$36,666), \$80,000 for expenses, including equipment (\$9,600), contractual services (\$20,000), travel/transportation (\$5,000), printing (\$2,500), advertising/marketing/trade shows (\$30,700), and administration (\$12,200) and \$250,000 to be placed into the BID Trust Fund. The annual cost for this program is \$448,000.

The proposed \$250,000 General Fund allocation to the BID Trust Fund would be used to cover the cost of consultant services. In March 1998, the City Council and Mayor allocated \$500,000 in Community Development Block Grant (CDBG) funds for BIDs (C.F. 98-0245). BIDs funded with CDBG monies must meet CDBG eligibility requirements. Because this program is intended to benefit all areas of the City, it would not be appropriate to fund this Citywide program proposal solely with CDBG funds. If the proposed \$250,000 General Fund allocation to the BID Trust Fund is approved, there would be a total of \$750,000 available for BIDs.

(Summary continued)

The consultants help communities determine the feasibility of establishing BIDs by conducting focus groups, surveys, providing newsletters, collecting accurate information on each property proposed to be assessed and writing the assessment formula. As proposed, the BID Director would submit all BID funding requests with recommendations to the City Council for approval.

According to the City's BID policy, the City Clerk serves as the central coordinating office to maintain the Task Force, comprised of the Departments of Building and Safety, City Council, Chief Legislative Analyst, City Attorney, Transportation, Community Development, Community Redevelopment, Planning and Public Works. The City Clerk also guides BIDs through the City process. The focus of MOED's proposed program is pre-BID formation and post-BID establishment assistance to the business community. MOED reports that both the City Clerk's functions and the BID Office's proposed functions may work well together to provide a cohesive BID program for the City.

The proposed BID Office would be a one-stop center for information, referrals and assistance to the business community. MOED reports that the proposal for a BID Office is consistent with the operations in other large cities. The BID operation in other cities is usually located in the Office of Business/Economic Development (OED). Because the City does not currently have an OED, MOED proposes that the BID Office be placed within MOED. However, if the City should establish an OED in the future, MOED states that the BID program should be incorporated into the OED. At present, MOED reports its entire staff is dedicated to serving each Council District. As proposed, this would provide an Office and staff dedicated to the BID program.

RECOMMENDATIONS

That the City Council, subject to the approval of the Mayor:

1. Approve the establishment of Business Improvement District Office within the Mayor's Office of Economic Development;
2. Resolve that, pursuant to the Los Angeles Administrative Code, Section 4.133 (a), the following two positions in the Mayor's Office of Economic Development are approved for the 11 month period, from August 1, 1998 through June 30, 1999.

No.	Class Code	Title	Period
1	0148	Mayoral Aide VIII	11 months
1	0143	Mayoral Aide IV	11 months

3. Transfer \$188,163 from the Reserve Fund to the Unappropriated Balance and appropriate therefrom to the following accounts within the Mayor's Office, Fund 100/46, as follows:

(Recommendations continued)



Account Number	Title	Amount
1010	Salaries - General	\$108,163
2120	Printing & Binding	2,500
2130	Travel	3,000
3040	Contractual Services	20,000
3310	Transportation	2,000
6010	Office and Administrative	<u>52,500</u>
	Total	<u>\$188,163</u>

4. Transfer \$250,000 from the Reserve Fund to the Unappropriated Balance and appropriate therefrom to the Business Improvement Trust Fund, Fund 14/659.

FISCAL IMPACT STATEMENT

The General Fund impact of establishing and operating the proposed Business Improvement District Office is \$438,163 which includes salaries for 11 months and operating costs of \$188,163 and a BID Trust Fund deposit of \$250,000. The annual cost of this operation would be \$448,000.

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